

**Chapter 10**  
**Service Contracts Act**

**Part 1**  
**General Provisions**

**15-10-101 Title.**

This chapter is known as the "Service Contracts Act."

Enacted by Chapter 46, 2003 General Session

**15-10-102 Definitions.**

As used in this chapter:

- (1) "Automatic renewal provision" means a provision under which a service contract is renewed for one or more specified periods if:
  - (a) the renewal causes the service contract to be in effect more than six months after the day of the initiation of the service contract; and
  - (b) the renewal is effective unless the consumer gives notice to the seller of the consumer's intention to terminate the service contract.
- (2) "Business consumer" means a person engaged in business if the person enters into a service contract as part of the person's business activities.
- (3)
  - (a) "Consumer" means a person receiving service, maintenance, or repair under a service contract.
  - (b) "Consumer" includes a representative of an association subject to:
    - (i) Title 57, Chapter 8, Condominium Ownership Act; or
    - (ii) Title 57, Chapter 8a, Community Association Act.
- (4) "Seller" means a person providing service, maintenance, or repair under a service contract.
- (5)
  - (a) "Service contract" means a contract for service, maintenance, or repair:
    - (i) in connection with real property; or
    - (ii) that provides a benefit to the real property.
  - (b) "Service contract" does not include a contract affecting any right, title, estate, or interest in real property, including:
    - (i) a fee title interest;
    - (ii) a leasehold interest;
    - (iii) an option contract relating to real property;
    - (iv) a real estate purchase contract;
    - (v) an easement; or
    - (vi) any other real property interest governed by Title 57, Real Estate.

Amended by Chapter 262, 2011 General Session

**Part 2**  
**Restrictions on Automatic Renewal Provisions**

**15-10-201 Notice requirement.**

- (1) Except as provided in Subsection (2)(b), a service contract may not contain an automatic renewal provision unless the seller provides the consumer written notice complying with Subsection (2) that informs the consumer of the automatic renewal provision.
- (2)
  - (a) For a service contract executed on or after July 1, 2011, that exceeds 12 months for a renewal period, a seller shall provide written notice of an automatic renewal provision prominently displayed on the first page of the service contract.
  - (b) In addition to complying with Subsection (2)(a), a seller shall provide written notice required under Subsection (1) to the consumer:
    - (i) personally;
    - (ii) by certified mail; or
    - (iii) prominently displayed on the first page of a monthly statement.
  - (c)
    - (i) A seller shall provide written notice under Subsection (2)(b):
      - (A) no later than 30 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract; and
      - (B) no sooner than 90 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract.
    - (ii) A seller may not provide written notice required under Subsection (1) except:
      - (A) as provided in Subsection (2)(a); or
      - (B) during the time period described in Subsection (2)(c)(i).
  - (d) Written notice required under Subsection (1) shall be:
    - (i) written in clear and understandable language; and
    - (ii) printed in an easy-to-read type size and style.

Amended by Chapter 189, 2014 General Session

**15-10-202 Remedy for violation.**

- (1) Subject to Subsection (2), if a seller does not comply with Section 15-10-201 with respect to a service contract containing an automatic renewal provision:
  - (a) the automatic renewal provision is void and unconscionable as a matter of public policy; and
  - (b) the service contract shall automatically renew on a month-to-month basis.
- (2) Subsection (1) applies to an automatic renewal provision in a service contract with a business consumer for which a seller does not comply with Section 15-10-201 only if the service contract is executed on or after July 1, 2011.

Amended by Chapter 262, 2011 General Session

**Part 3  
Exemptions**

**15-10-301 Exemptions.**

This chapter does not apply to a contract made pursuant to Title 11, Chapter 13, Interlocal Cooperation Act.

Enacted by Chapter 46, 2003 General Session